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IN THE UNITED STATES PATENT AND TRADEMARK OFFICE BEFORE THE TRADEMARK TRIAL AND APPEAL BOARD

Proceeding	92054055
Party	Defendant Athletic Foundation Srpska, Inc.
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Submission	Motion to Amend/Amended Answer or Counterclaim
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Date	08/29/2011
Attachments	REPLY to Pet Response to Registrants Motion to Amend Affirm Defenses.pdf (6 pages)(253360 bytes)

IN THE UNITED STATES PATENT AND TRADEMARK OFFICE BEFORE THE TRADEMARK TRIAL AND APPEAL BOARD

In the Matter of Registration Nos. 3,823,4 Registration Date: July 20, 2010	17 and 3,823,424: FK REPUBLIKA SRPSKA
FK REPUBLIKA SRPSKA,)
Petitioner,)
v.) Cancellation No. 92054055
ATHLETIC FOUNDATION SRPSKA,)
INC.)
Registrant.)

REGISTRANT'S REPLY TO PETITIONER'S RESPONSE TO REGISTRANT'S MOTION FOR LEAVE TO AMEND AFFIRMATIVE DEFENSES

NOW COMES the Registrant, ATHLETIC FOUNDATION SRPSKA, INC., by and through its attorneys, ESP, KREUZER, CORES & MCLAUGHIN, LLP, and for its Reply to Petitioner's Response to Registrant's Motion for Leave to Amend Affirmative Defenses, states as follows:

In its reply in support of its Motion to Strike Affirmative Defenses/Response to Registrant's Motion for Leave to Amend, Petitioner claims erroneously that the Trademark Trial and Appeal Board may not grant Registrant leave to amend its affirmative defenses because it did not obtain Petitioner's consent and it was not obtained with leave of court. The only deficiency alleged by Petitioner in its Motion to Strike Affirmative Defenses was that sufficient facts were not pled to establish the affirmative

defenses of acquiescence and estoppel. Rather than spend unnecessary time and resources in battling over a motion based on an alleged technical deficiency, Registrant instead amended the Affirmative Defenses to directly address the alleged deficiencies. Registrant also filed a Motion for Leave to Amend the Affirmative Defenses.

Pursuant to 37 CFR Section 2.1.115, "[p]leadings in a cancellation proceeding may be amended in the same manner and to the same extent as in a civil action in a United States district court. Pursuant to FRCP 15(a)(1), "[a] party may amend its pleading once as a matter of course within (A) 21 days after serving it, or (B) if the pleading is one to which a responsive pleading is required, 21 days after service of a responsive pleading or 21 days after service of a motion under Rule 12(b), (e), or (f), whichever is earlier. Pursuant to FRCP 15(a)(2), "in all other cases, a party may amend its pleading only with the opposing party's written consent or the court's leave. The court should freely give leave when justice so requires. There is no requirement, as Petitioner alleges, that Registrant must provide a detailed explanation as to why it is amending its Affirmative Defenses, unless allowing the amendment would not serve the ends of justice.

This cancellation proceeding was filed this year. Registrant timely filed its Affirmative Defenses as part of its Answer. Petitioner filed a technical Motion to Dismiss on the basis that Registrant failed to plead sufficient facts in support of its affirmative defenses. Registrant responded less than 21 days after the motion with an amended pleading, which sought to correct the alleged pleading deficiencies, namely that enough facts were not plead. Registrant chose to do so because amending the pleading was more efficient than battling over a technical deficiency, notwithstanding the more liberal notice

pleading requirements of the Federal Rules of Civil Procedure. In a case where the Motion for Leave to Amend and the Amended Affirmative Defenses were filed and served before even the date on which discovery opened, it can hardly be said that the ends of justice would not be served by allowing the amended affirmative defenses.

Petitioner further uses its Reply as an attempt to file a Motion to Dismiss the Amended Affirmative Defenses. The bases now stated by Petitioner are that the affirmative defense of acquiescence is not viable because Registrant has purportedly not pled facts that Petitioner gave Registrant express consent, encouragement, or permission to use the mark. Petitioner further alleges that the estoppel defense is not viable because Registrant has not pled facts that it was reasonably led to believe that Petitioner would not oppose Registrant's registration of the mark. Finally, Petitioner alleges that the defense of laches should fail because the time for laches does not start until the publication date of the Registration of the trademarks.

With respect to the acquiescence defense, in paragraph 3, Registrant alleged that "in 2007, one Petitioner's principals, Alexander Cvijovic, on behalf of Registrant, signed up the team under the name FK Republika Srpska, using the Registered Marks, to play in the National Soccer League. That allegation specifically states that the Petitioner's own principal affirmatively used the mark FK Republika Srpska for the Registrant's benefit.

With respect to the estoppel defense, in paragraph 5, Registrant alleged that "at no time prior to 2009 did any of Opposer's principals ever object to Registrant's use of the Registered Marks or claim independent ownership to the Registered Marks. Registrant further alleged in paragraph 6, "in detrimental alliance on Petitioner's failure to object to Registrant's use of the Registered Marks, Registrant expended monies to participate in

soccer tournaments and recruit members under the Registered Marks, and purchase and wear uniforms bearing the Registered Marks. In paragraph 7, Registrant alleged that this occurred for a period of eight years without any action on Petitioner's part. The allegations that Petitioner allowed Registrant to not only use the name FK Republika Srpska, but to also expend monies for tournaments, recruiting members, and purchasing uniforms, for a period of eight years more than adequately pleads the affirmative acts by which Registrant was reasonably led to believe that Petitioner would not oppose the registration of the mark.

Finally, with respect to the defense of laches, allowing the Registrant to expend significant resources in furtherance of the marketing of the mark without objection, does establish the defense of laches, provided the facts show that economic prejudice has occurred. *Pro-Football, Inc. v. Hario*, 191 F.Supp.2d 77, 81-82 (D.D.C. 2002) (citing *Bridgestone/Firestone Research, Inc. v. Automobile Club De L'Quest De La France*, 245 F.3d 1359, 1361 (Fed. Cir. 2001)). While the Petitioner may believe the evidence will defeat the defense, it is inappropriate to dismiss the defense before discovery has been conducted.

Therefore, Registrant should be granted leave to amend its affirmative defenses of acquiescence, estoppel, and laches. To the extent leave of court is required in advance of the filing of said pleading, Registrant requests that the Amended Affirmative Defenses be

allowed *nunc pro tunc*, or in the alternative, that Registrant be allowed to refile its Amended Affirmative Defenses, *instanter*.

Respectfully Submitted,
ESP, KREUZER, CORES & McLAUGHLIN, LLP

By: /s/ Kenneth S. McLaughlin, Jr.

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Attorney for Registrant

CERTIFICATE OF SERVICE

The undersigned, an attorney, hereby certifies that on August 29, 2011, he served a copy of the above-referenced Registrant's Reply to Petitioner's Response to Registrant's Motion for Leave to Amend Affirmative Defenses via email only (by agreement) to:

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